

LAND BOARD AGENDA ITEM
August 15, 2011

**FINAL APPROVAL FOR SALE OF LAND BANKING PARCELS
620, 621, & 622
VALLEY COUNTY**

- Seller:** State of Montana, Department of Natural Resources and Conservation
- Nominators:** Parcels 620 & 622 – DNRC, Glasgow Unit
Parcel 621 – Lessee, Pro CO-OP
- Location:** Parcels 620, 621, & 622 - are located on the east side of the town of Richland in Valley County.
- Property Characteristics:** Parcels 620 & 622 – These parcels are on the abandoned Great Northern Railroad right of way.
Parcel 621 – this parcel is native rangeland leased for grazing, adjacent to the town of Richland.
- Access:** Parcels 620, 621, & 622 – All parcels are legally accessible from the Richland-Frazer Road, which runs from Highway 248 to Main Street in Richland.
- Economic Analysis:** Short term – The rate of return on the sale parcel is .06% for Common Schools. They would continue to receive this return if the parcel is not sold.
Long term – The sale of this parcel would result in acquisition of lands that generate a higher rate of return. To date the average annual rate of return on acquisitions has been 1.91%, on acquisitions with income generated from annual lease payments.

Cultural/Paleontological Resources:

Section 2, T35N R43E was inventoried to Class III standards for cultural and paleontological resources in 2010. A formal report of findings (*Cultural Resources Inventory of Section 2, T35N R43E: Valley County, Montana*) was prepared and is on file with the DNRC and the State Historic Preservation Office. No *Antiquities*, as defined under the Montana State Historic Preservation Act, were identified. The underlying geology does not include Judith River or Hell Creek Formations.

Background:

In July 2010, the Board approved these parcels to continue through the Land Banking sale evaluation process. In May 2011 the Board set the minimum bid at the appraised value with access as follows:

Sale #	# of Acres	Legal	Minimum Bid	Price/Acre	Beneficiary
620	2.2	Tract 1A, Pro Co-op Sub. COS 227 Sec. 2, T35N, R43E	\$4,000	\$2,000	Common Schools
621	5.48	Tract 2A, Pro Co-op Sub. COS 227 Sec. 2, T35N, R43E	\$4,000	\$800	Common Schools
622	3.84	Tract 1, Thievin Sub. Sec. 2, T35N, R43E	\$4,000	\$1,000	Common Schools

Total Sale Price: \$12,000

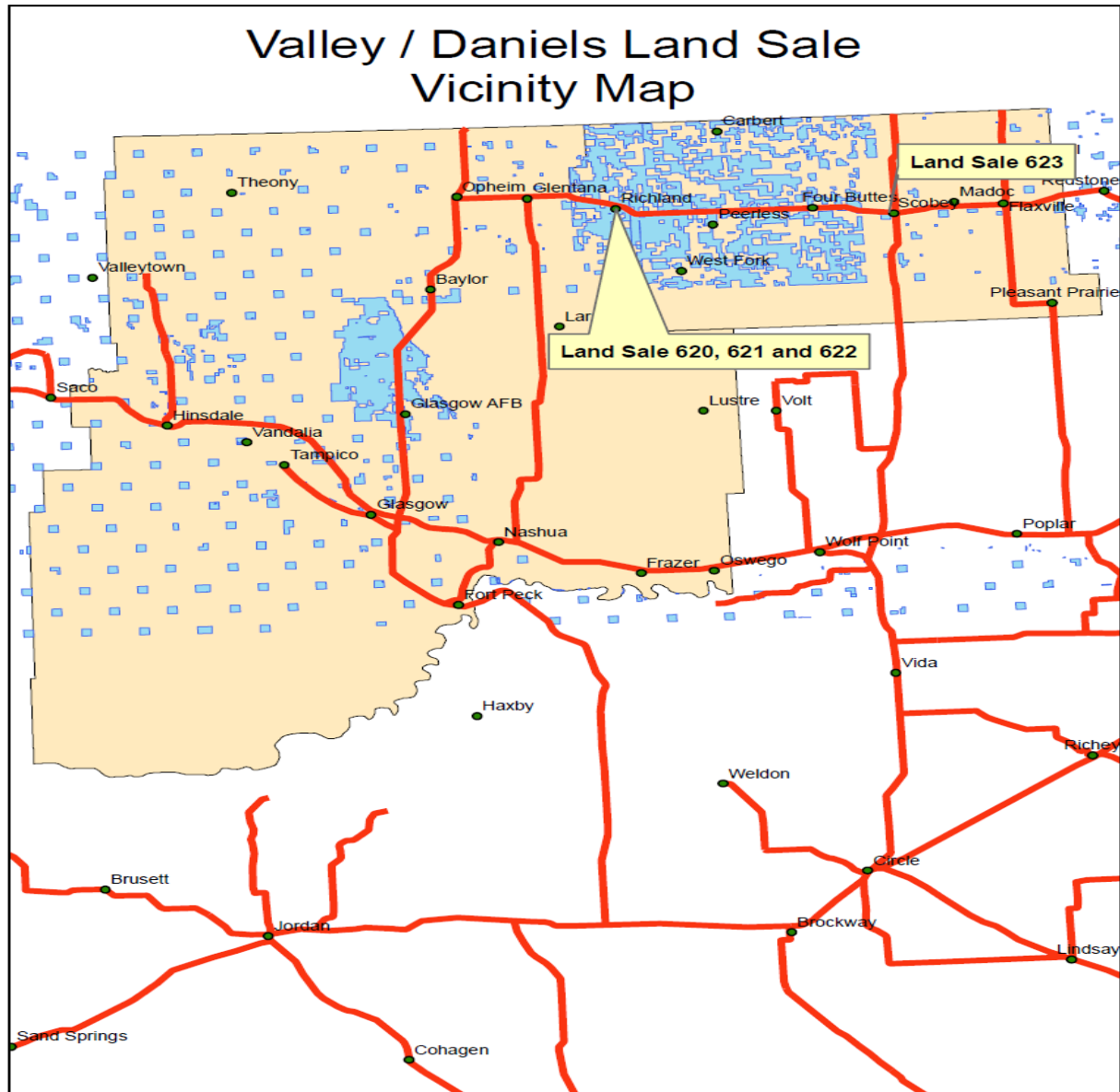
Sale Price:

These parcels were sold at public auction on July 12, 2011. Each parcel had only one bidder, and was sold for the minimum bid amounts listed above. The total for the above sale is \$12,000.

Recommendation:

The Director recommends final approval of Land Banking Sales #620, 621 & 622 for the purchase prices listed above. The sales will be closed within 30 days of approval.

Valley County Sale Location Map



Sales #620, 621, & 622

Townsite of Richland

